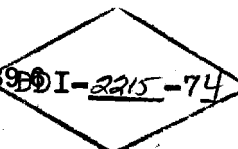


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CENTRAL INTELLIGENCE AGENCY

WASHINGTON, D.C. 20505



23 July 1974

File: OER

Mr. John E. Milgate
Associate Director, International Division
General Accounting Office
Washington, D. C. 20548

Dear Mr. Milgate:

Enclosed are a number of studies requested of Mr. Colby by the Comptroller General to assist the GAO in its review of the Government's role in East-West trade. I have included, in addition to those items specifically requested in Mr. Staats' letter, a number of publications which pertain to the general question of East-West trade relationships.

There are some items for which our response will be limited. The research for STR on important technologies is just getting started, and we will have nothing to show for many months. As you know, there is no Governmental requirement for US firms to report the technical agreements they may have negotiated with Communist countries. We do, of course, have knowledge about some of these agreements, and I have included one publication reporting on economic agreement negotiated with the USSR.

Although Mr. Colby is willing to provide whatever assistance he can in your endeavor, he is concerned about the protection of our classified publications and the use to which they might be put in your report. With this in mind, he has suggested to me that the classified publications provided to you should be returned to this Agency when you have finished exploiting them. He also has asked me to take advantage of

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Mr. Staats' offer to review your draft report before it is finalized. This review, of course, will be solely for the purpose of safeguarding against undue disclosure of our classified materials.

I believe that it would be useful for the members of your study group to have a full understanding of the Agency's role in advising other parts of the Government on the intelligence aspects of East-West trade relations. I am having an unclassified statement prepared on the role this Agency plays, the consumers it supports, and the types of support it provides. I will forward this statement by a separate memorandum.

25X1A Sincerely,



Paul V. Walsh
Associate Deputy Director
for Intelligence

Enclosures

Distribution:

- Original - Addressee w/enclosures
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27 June 1974

NOTE FOR ED

You may want to bring up at the Morning Meeting the question of Art Shantz (GAO) and Agency publications. (My conversation with George Cary didn't get much advice).

Shantz, who is with the International Division, GAO, talked to several of our people regarding detente and the export of US technology. He now wants several publications (not highly classified) that we produce for the technical advisory group on aspects of the Soviet computer industry. He also wants a question-and-answer paper on detente and technology, as well as "anything else we have produced on detente".

Finally, he wants a list of all OER publications and the dissemination given to them so that he can determine what is available on the subject and did the reports go where they were needed--did the policy or decision-maker have access to them.

I reminded Shantz that we produce intelligence for the Executive Branch of the Government and we are accustomed to providing published materials to the

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Page Two

Legislative Branch (outlining how we do
get intelligence to the Legislative Branch).
I was unable to get any clear idea as to how
he would use these publications and what,
if any, reference would be made to CIA.
He was unclear himself as to whether the
report was to be GAO internal, given to
the Congress, or made public.

I would prefer:

- a. Not to give him anything
written.
- b. Give him only the computer-
related reports and probably the
question-and-answer report.
- c. Not give him the list of
OER publications.

This whole game is loaded and I
think the Director ought to make the
decision.

STATINTL

Paul

Per [REDACTED] - Arthur Shants holds a
Top Secret clearance--no record of
SI or TK. OER checked his clearances
on 18 June 1974.

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SENDER WILL CHECK CLASSIFICATION TOP AND BOTTOM			
UNCLASSIFIED		CONFIDENTIAL	
		SECRET	
OFFICIAL ROUTING SLIP			
TO	NAME AND ADDRESS	DATE	INITIALS
1	Mr. Proctor 7E44	<i>EW</i>	
2	<i>FW</i>		
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ACTION		DIRECT REPLY	PREPARE REPLY
APPROVAL		DISPATCH	RECOMMENDATION
COMMENT		FILE	RETURN
CONCURRENCE		INFORMATION	SIGNATURE
Remarks: The individuals from GAO who were briefed by OER on 13 June were: Roberson E. Sullins Fredrick Haynes Fred Shafer Werner Grosshans <div style="background-color: black; width: 200px; height: 20px; margin: 10px auto;"></div>			
FOLD HERE TO RETURN TO SENDER			
FROM: NAME, ADDRESS AND PHONE NO.			DATE
OLC 7D43			27 June 74

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